

MICHIGAN STRATEGIC FUND ACT (EXCERPT)
Act 270 of 1984

125.2074 Research center fund; use of money; purpose; obligations of present or emerging technologies; purposes of financial aid; terms and conditions of financial aid; minimum financial aid grant; payment; tax exemption.

Sec. 74. (1) The fund may utilize the money held in the research center fund to provide financial aid to nonprofit research and development enterprises that perform or cause to be performed, or both, research and development in present and emerging technology and in the application of that technology to business and industry.

(2) The present or emerging technologies that are provided financial aid should serve as a foundation for future job growth or retention in this state, encourage economic stability or diversification in this state, and establish this state as a center of excellence in high technology.

(3) Financial aid under this act may be provided for the purposes of designing and constructing new facilities, designing and rehabilitating existing facilities, acquiring an interest in real or personal property, providing working capital, which may include salaries, rent, supplies, inventory, accounts receivable, mortgage payments, legal costs, utility costs, telephone, travel, and other incidental costs normally classified as working capital according to standard accounting principles. Working capital financing grants provided by the fund to a particular research and development enterprise shall not be granted for a period exceeding 10 years calculated from the effective date of the first grant to the expiration date of the last grant.

(4) Financial aid provided by the fund may be on those terms and conditions as the fund, in its sole discretion, shall determine to be reasonable, appropriate, and consistent with the purposes and objectives of the fund and this act.

(5) The minimum financial aid grant under this act shall be \$2,500,000.00 to be paid over the period of time as the fund shall specify in the grant unless this restriction is waived by a 2/3 vote of the members of the board.

(6) Personal property that is leased or owned, and used, or that portion of real property that is leased, subleased, or owned, and occupied by a nonprofit research and development enterprise that receives or has received financial benefit or support under this act, former 1982 PA 70, or section 117 of 2000 PA 291 in the amount of \$1,000,000.00 or more or that has received financial benefit or support in the amount of \$1,000,000.00 or more from an organization with tax-exempt status under section 501(c)(3) of the internal revenue code, 26 USC 501, that received financial benefit or support directly or indirectly under this act or section 117 of 2000 PA 291 is exempt from taxes collected under the general property tax act, 1893 PA 206, MCL 211.1 to 211.157, while the property is leased, subleased, owned, used, or occupied by that nonprofit research and development enterprise solely for the purpose of performing or coordinating research and development in present and emerging technology and of the application of that technology to business and industry and provided that the research and development enterprise retains its tax-exempt status under section 501(c)(3) of the internal revenue code, 26 USC 501.

History: 1984, Act 270, Eff. Mar. 29, 1985;—Am. 1987, Act 207, Imd. Eff. Dec. 22, 1987;—Am. 1987, Act 278, Imd. Eff. Jan. 6, 1988;—Am. 2006, Act 616, Imd. Eff. Jan. 3, 2007.

Popular name: Strategic Fund